

Message Text

UNCLASSIFIED

PAGE 01 ST JOH 00094 041606Z

11

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-02 PRS-01 SP-02 SS-15 USIA-15 IO-13

EB-07 FEA-01 SAM-01 TRSE-00 OMB-01 FPC-01 OES-06 /099 W

----- 050703

R 041145Z MAY 76

FM AMCONSUL ST JOHNS

TO SECSTATE WASHDC 1363

INFO AMEMBASSY OTTAWA

AMCONSUL MONTREAL

AMCONSUL QUEBEC

AMCONSUL HALIFAX

UNCLAS ST JOHNS 094

E.O. 11652 N/A

TAGS ENRG PINT CA

SUBJECT CHURCHILL FALLS POWER: MEDIA REACTION

REF ST JOHNS 093 (NOTAL)

SUMMARY: BOTH ST JOHNS NEWSPAPERS HAVE RUN EDITORIALS CONDEMNING QUEBEC'S ATTEMPT TO ANNEX A PORTION OF LABRADOR AS PART OF THE PRICE NEWFOUNDLAND MUST PAY FOR RECEIVING CHURCHILL FALLS POWER ABOVE HER CURRENT ENTITLEMENT UNDER THE 1966 AGREEMENT. EVENING TELEGRAM THINKS OTTAWA SHOULD INTERVENE ACTIVELY ON THE SIDE OF NEWFOUNDLAND. DAILY NEWS, HOWEVER, AWAITS FURTHER DEVELOPMENTS AT NEXT WEEK'S ENERGY CONFERENCE WHILE HINTING THAT NEWFOUNDLAND HAS FORMIDABLE OPTIONS IT CAN EXERCISE IF IT HAS TO.

1. BOTH ST.JOHNS NEWSPAPERS HAVE NOW PUBLISHED EDITORIALS CONDEMNING QUEBEC'S PROPOSED LAND GRAB IN SOUTHERN LABRADOR IN PARTIAL RECOMPENSE FOR POWER NFLD IS SEEKING FROM CHURCHILL FALLS. EVENING TELEGRAM (5/1/76) CITED 1927 PRIVY COUNCIL DECISION SEETING LABRADOR'S PRESENT BOUNDARIES AND STATED UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ST JOH 00094 041606Z

THERE IS NO BOUNDARY DISPUTE TO SETTLE WITH PQ SINCE EFFECT

OF 1927 DECISION WAS TO SETTLE ANY DISPUTE OVER LABRADOR BOUNDARIES FOR ALL TIME. SINCE 1927, HOWEVER, NEW ELEMENT IN CONTROVERSY HAS ARISEN AS RESULT OF PQ'S POWER PLAY (1966 CHURCHILL FALLS POWER CONTRACT) WHICH HAD EFFECT OF CONFERRING IMMENSE BENEFITS ON PQ ALONE WITH COMPARATIVELY SMALL BENEFITS BEING CONFERRED ON NFLD OR OTHER PROVINCES.

2. EVENING TELEGRAM SAID THAT, AT TIME DEAL WAS MADE BACK IN 1966, IT HAD OPPOSED ALLOWING ANY SINGLE PROVINCE TO REAP BENEFITS FROM LABRADOR POWER TO DETRIMENT OF OTHERS. YET PQ DID JUST THAT AND GOT AWAY WITH IT AND NOW SEEMS TO BE ATTEMPTING ANOTHER POWER PLAY. "DO WE REALLY THINK THAT MR. COURNOYER IS ACTING WITHOUT THE CONSENT OF MR. BOURASSA?"

3. EVENING TELEGRAM WENT ON TO SAY:

"QUEBEC WHICH INSISTS SHE IS NOT A PROVINCE LIKE THE OTHERS, HAS CONSISTENTLY MADE DEMANDS ON THE FEDERAL GOVERNMENT UNLIKE THOSE MADE BY OTHER REGIONS OF CANADA; AND THESE HAVE BEEN MET, IN ONE WAY OR ANOTHER, TO KEEP HER HAPPY AND IN THE UNION. BUT THE SUGGESTIONS MADE AS FAR BACK AS 1964...AND WHICH ARE NOW BEING REPEATED IN THE COURNOYER BLACKMAIL TACTICS, ARE IN A DIFFERENT CATEGORY ALTOGETHER. THEY ARE TERRITORIAL DEMANDS ON ANOTHER PROVINCE AND ARE FAR BEYOND THE BOUNDS AND UNDERSTANDING OF THE NATURE AND SPIRIT OF THE CANADIAN CONFEDERATION.

"OVER THE YEARS, HOWEVER, WHILE THIS CLAIM HAS BEEN PUT FORWARD, NO REPUDIATION, TO OUR KNOWLEDGE, HAS BEEN MADE BY OTTAWA OF THIS UNILATERAL AND PERSISTENT DEMAND BY SO MANY SEGMENTS OF QUEBEC OPINION, A FACT THAT HAS CERTAINLY CONTRIBUTED TO THE NOTION HELD IN LA BELLE PROVINCE THAT THEIR CLAIM IS JUSTIFIED.

"LONG BEFORE CHURCHILL FALLS POWER WAS DEVELOPED THERE WERE TRANSMISSION LINES, PIPELINES, RAILWAY LINES AND ROADS CRISSCROSSING CANADA'S PROVINCIAL BORDERS, AND THESE WORKS WERE CARRIED OUT WITHOUT ANY BOUNDARY DIS-

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 ST JOH 00094 041606Z

PUTES. PRIME MINISTER TRUDEAU IS PRETTY GOOD AT "TELLING QUEBEC OFF", AS HIS RECENT ATTACK ON PREMIER BOURASSA INDICATES. ISN'T IT TIME HE TOLD QUEBEC THAT SHE HAS NO RIGHT TO INSIST ON A TERRITORIAL QUID PRO QUO IN HER NEGOTIATIONS WITH NEWFOUNDLAND OR ANY OTHER PROVINCE, ESPECIALLY IN THE CRUCIAL AREA OF ENERGY RESOURCES?"

4. DAILY NEWS EDITORIAL (5/3/76) STATES THAT DEALING WITH PQ OVER LABRADOR CAN NEVER BE SIMPLE MATTER BECAUSE OF PQ'S DOMESTIC POLITICS. NFLD MUST ATTEMPT LEARN WHETHER COURNOYER'S BARGAINING TACTICS ARE DICTATED BY DOMESTIC POLITICAL CONSIDERATIONS OR WERE REALLY PART OF AN ATTEMPT TO ESTABLISH AN INITIAL BARGAINING POSITION. DISCUSSIONS EXPECTED REACH SOME SORT OF CLIMAX AT NEXT WEEK'S ENERGY CONFERENCE IN OTTAWA..

5. DAILY NEWS CONTINUED:

"...WITH EXORBITANT INCREASES IN ENERGY COSTS TO BE FACED, IT IS LIKELY THAT THE MARITIME PROVINCES WILL PRESS EAGERLY FOR ACTION ON THE EASTERN CANADIAN GRID WHICH CAN ONLY BECOME A REALITY IF THERE IS COOPERATION BETWEEN NEWFOUNDLAND AND QUEBEC AND SOME REAL HELP FROM OTTAWA.

"NEWFOUNDLAND IS WILLING. IN FACT, WE ORGINATED THE PROPOSAL FOR THE EASTERN GRID. SO THE QUESTION BECOMES A MATTER OF WHETHER QUEBEC IS PREPARED TO CONSIDER A REASONABLE AGREEMENT THAT WILL BE BENEFICIAL TO HERSELF AND NEWFOUNDLAND BUT WILL ALSO MAKE A LARGE AND IMPORTANT CONTRIBUTION IN THE NATIONAL INTEREST TO AN AMELIORATION OF THE ENERGY PROBLEM OF THE MARITIMES.

"IN OUR OWN NEGOTIATIONS OVER THE PURCHASE OF THE ENERGY WE NEED FROM HYDRO QUEBEC TO GIVE VIABILITY TO THE TRANSMISSION LINE ACROSS THE STRAITS OF BELLE ISLE IT HAS ALREADY BEEN INDICATED THAT WE HAVE OTHER AND EVEN FORMIDABLE OPTIONS. WHETHER THEY WILL HAVE TO BE USED WILL PRESUMABLY DEPEND ON THE OUTCOME OF NEXT WEEK'S DISCUSSIONS WITH PREMIER BOURASSA."

UNCLASSIFIED

UNCLASSIFIED

PAGE 04 ST JOH 00094 041606Z

6. JUDGING FROM COMMENTS MADE BY PREMIER MOORES IN TV INTERVIEW 5/3/76, SHOWDOWN WITH BOURASSA NOT LIKELY TO COME AT NEXT WEEK S ENERGY CONFERENCE IN OTTAWA SINCE IONFEREES TIME WILL BE TAKEN UP BY OTHER MATTERS.. MOORES EID INDICATE, HOWEVER, THAT HE WOULD ATTEMPT SET DATE TO MEET BOURASSA ASAP AFTER OTTAWA CONFERENCE. ALTHOUGH URGED BY INTERVIEWER TO STATE WHAT MOVES NFLD WOULD MAKE IN EVENT PQ PROVED UNCOOPERATIVE, MOORES REFUSED TO BE DRAWN OR EVEN TO MAKE ANY THREATENING NOISES.
MOORE

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, ELECTRIC POWER
Control Number: n/a
Copy: SINGLE
Draft Date: 04 MAY 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STJOH00094
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760172-0444
From: ST JOHNS, NEWFOUNDLAND
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760593/aaaadbta.tel
Line Count: 165
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: schwenja
Review Comment: n/a
Review Content Flags:
Review Date: 10 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 JUN 2004 by wolfsd>; APPROVED <07 SEP 2004 by schwenja>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CHURCHILL FALLS POWER: MEDIA REACTION
TAGS: ENRG, PINT, CA
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006